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山東威高集團醫用高分子製品股份有限公司
Shandong Weigao Group Medical Polymer Company Limited*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code : 1066)

FURTHER INFORMATION ON PAYMENT OF 2010 FINAL DIVIDEND

Reference is made to the announcements and annual report of Shandong Weigao Group Medical Polymer Company Limited (the “**Company**”) dated 15 March 2011 and 7 April 2011 in respect of the payment of the final dividend for the year ended 31 December 2010 (collectively the “**Announcement**”). The board of directors of the Company (the “**Board**”) wishes to announce further information in relation to payment of the 2010 final dividend (“**2010 Final Dividend**”) as follows.

Pursuant to the Circular on the Questions Concerning the Income Tax on the Profits for the transfer of Shares (Equity Interests) and Dividend Received by Foreign Invested Enterprises, Foreign Enterprises and Individual Foreigners (Guo Shui Fa [1993] No. 45) (《關於外商投資企業、外國企業和外籍個人取得股票（股權）轉讓收益和股息所得稅收問題的通知》（國稅發[1993]45號)) (the “**Circular**”) issued by the PRC State Administration of Taxation (the “**SAT**”) in 1993, individual foreigners holding overseas shares were temporarily exempted from PRC individual income tax for the dividend received from PRC enterprises issuing such overseas shares. On 4 January 2011, SAT issued the Announcement on the List of Fully or Partially Invalidated and Repealed Tax Regulations (SAT Announcement (2011) No. 2) (《關於公佈全文失效廢止、部份條款失效廢止的稅收規範性文件目錄的公告》（國家稅務總局公告2011年第2號)) (the “**SAT Announcement**”), pursuant to which the Circular was repealed and no longer valid. According to the Company’s current understanding, the exemption from PRC individual income tax under the Circular for the Company’s individual H shareholders (the “**Individual H Shareholders**”) whose names appear on the register of members of H shares of the Company is no longer applicable when the Company distributes the 2010 Final Dividend.

Pursuant to the PRC Individual Income Tax Law (《中華人民共和國個人所得稅法》), the Implementation Regulations of the Individual Income Tax Law (《中華人民共和國個人所得稅法實施條例》), the Tentative Measures on Withholding and Payment of Individual Income Tax (《個人所得稅代扣代繳暫行辦法》) and other relevant laws and regulations (collectively, the “**Relevant Tax Laws and Regulations**”) and after the Company’s consultation with the relevant PRC tax authorities, the Company is required to withhold and pay 20% individual income tax for Individual H Shareholders (the “**Withholding Tax**”). Subject to the confirmation of the relevant PRC tax authorities, the rate of the Withholding Tax may be adjusted in accordance with the tax treaties or arrangements applicable to the Individual H Shareholders.

Pursuant to the Announcement, the 2010 Final Dividend of the Company will be paid on or before 30 June 2011. To ensure the Company's compliance with the Relevant Tax Laws and Regulations as well as to meet the timetable for the payment of the 2010 Final Dividend, the Company will temporarily withhold 20% of the 2010 Final Dividend to be distributed to the Individual H Shareholders, representing an aggregate amount of HKD279,543.3, pending the confirmation of the relevant PRC tax authorities on the appropriate treatment for this. The Company will issue further announcement(s) in respect of any material development regarding this matter.

Other information in respect of the payment of the final dividend as disclosed in the Announcement remains unchanged.

By Order of the Board
Shandong Weigao Group Medical Polymer Company Limited
Chen Xue Li
Chairman

20 June 2011
Shandong, the PRC

As at the date of this announcement, the Board comprises:

Mr. Zhang Hua Wei (Executive Director)
Mr. Miao Yan Guo (Executive Director)
Mr. Wang Yi (Executive Director)
Mr. Wang Zhi Fan (Executive Director)
Mr. Wu Chuan Ming (Executive Director)
Mr. Chen Xue Li (Non-executive Director)
Ms. Zhou Shu Hua (Non-executive Director)
Mr. Li Bing Yung (Non-executive Director)
Mr. Jean-Luc Butel (Non-executive Director)
Mr. Shi Huan (Independent non-executive Director)
Mr. Luan Jian Ping (Independent non-executive Director)
Mr. Li Jia Miao (Independent non-executive Director)
Mr. Lo Wai Hung (Independent non-executive Director)

** For identification purpose*